

# Strata corporations must now identify parking spaces and storage lockers

In strata developments, parking areas and storage lockers are not all allocated in the same way. The specific rights of owners or tenants to use parking stalls or storage lockers vary depending on how the use of these areas has been allocated in the development.

Verifying use can be a puzzling problem for REALTORS®.

As of January 14, 2014, the process is easier because of changes to the *Strata Property Act*.

Strata corporations must now identify parking spaces and storage lockers associated with units on the new Information Certificate (Form B) given to potential buyers and anyone authorized by the owner or buyer.

REALTORS® assisting clients buying or selling strata property should review the development's strata plan to determine whether parking and storage areas are designated as:

- a separate strata lot or part of a strata lot;
- limited common property; or
- common property.

## The strata lot or part of a strata lot

This is any part of the registered strata plan identified with boundaries or as a separate strata lot and owned solely by the owner.

- Parking and storage areas may be designated on the strata plan as a separate strata lot or part of a strata lot.
- Parking and storage areas intended for commercial use can be designated as a separate strata lot, and will have their own strata lot number.
- Parking and storage areas intended to be used in conjunction with a residential strata lot can't be a separate strata lot, but can be designated as part of the strata lot and so share the same strata lot number as the residential unit.
- A parking or storage area designated as part of a strata lot will always be owned by the strata lot owner, and a strata lot owner will transfer ownership of these areas to a purchaser upon the sale of their strata lot.

## Limited common property (LCP)

Parking and storage areas are designated on the strata plan as LCP for the exclusive use of a particular strata lot. An owner

with exclusive use doesn't own the area, but has the exclusive right to use the area.

- LCP areas are common property owned by all of owners in the strata corporation in proportion to each strata lot's unit entitlement.
- If parking and storage areas are designated on the strata plan as common property and aren't limited to the use of a specific strata lot, a strata corporation can create LCP designations by passing a resolution either by a unanimous vote or a 3/4 vote.
- The right to exclusive use of an LCP area attaches to the strata lot, not to the specific owner. When an owner sells their strata lot, the right to exclusive use of the LCP area automatically transfers to the new owner of the strata lot.

## Common Property

Parking and storage areas may be designated on the strata plan as common property. Similar to LCP, common property is owned by all owners in a strata corporation in proportion to their respective unit entitlements.

The use of areas designated as common property can be allocated to owners in three different ways:

- 1. A grant of exclusive use.** The strata corporation can give an owner exclusive rights to use parking and storage areas designated as common property for a maximum term of one year.
  - The strata corporation can renew the term, alter conditions, and cancel at any point during the term by giving reasonable notice to the owner.
  - The ability to use the common property attaches to the owner and not the strata lot. Vendors can't contractually assign permission to use parking stalls or storage lockers to new owners, as with a lease.
  - The new owner must ask the strata corporation for permission to use the area exclusively.
  - The strata corporation has discretion to grant exclusive use of the same or

a different parking or storage area, or deny the new owner the right to use any parking or storage area.

**2. An assignment of rights under a lease or licence.** When a developer creates a strata development, the developer can grant a lease or licence over parking or storage areas to a related company or to itself (a head lease).

- The developer or related company can assign its lease or licence interest in individual parking or storage areas to buyers of a strata lot in the development.
- Head leases or licences of common property are created in developments with large underground parking and storage areas to enable the developer to control which buyers are assigned which parking and storage areas after the strata plan is filed.
- Some head leases or licences are worded so the sale of a strata lot to a buyer automatically triggers an assignment of the individual parking or storage area to the new buyer. If this isn't the case, the vendor can contractually assign their lease or licence in the contract of purchase and sale.

**3. Common use of parking spaces.** A strata plan may contain a parking area designated as common property that is not allocated to the use of any specific owners.

- Owners can often use common property parking areas on a first-come first-served basis.
- There may also be strata corporation bylaws or rules governing how owners use the parking area.



The definitive source for this information is the Office of Housing and Construction Standards. For information, go to: [www.housing.gov.bc.ca](http://www.housing.gov.bc.ca). On the right-hand side, select Strata Guides and then *Parking Spaces and Storage Lockers, Guide 29*.

If you have questions, please contact Harrier Permut, Manager, Government Relations at: [hpermut@rebgv.org](mailto:hpermut@rebgv.org).